

**First Union  
Commercial Corporation**

Post Office Box 13327 VA7467  
Roanoke, Virginia 24040-0001

October 16, 1996

Secretary  
Surface Transportation Board  
Washington, D.C. 20423-0001

Re: Memorandum of Lease Agreement

Dear Secretary:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated October 7, 1996, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Commercial Corporation  
213 S. Jefferson Street, 4th Floor  
Roanoke, Virginia 24011

Attn: Sharon B. Bateman VA-7467

Lessee: South Central Tennessee  
Railroad Corporation  
Watson Siding  
Centerville, Tennessee 37033

A description of the railroad equipment covered by the enclosed document is set forth on Schedule I attached hereto.

Also enclosed is a check in the amount of \$22.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped original of the enclosed document to the undersigned.

Very Truly Yours,

FIRST UNION COMMERCIAL CORPORATION



Betty S. Edwards  
Vice President

Enclosures

RECORDATION NO. 20316 FILED 1425

OCT 21 1996 - 10 20 AM

INTERSTATE COMMERCE COMMISSION

OCT 22 10 19 AM '96

RECEIVED  
SURFACE TRANSPORTATION  
BOARD

**FIRST  
UNION®**

RECORDATION NO 20316 LED 1420

EXHIBIT A

OCT 22 1996 - 10 20 AM

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT dated as October 7,  
                    , 1996, is between FIRST UNION COMMERCIAL  
CORPORATION, a North Carolina corporation ("Lessor") and SOUTH CENTRAL  
TENNESSEE RAILROAD CORPORATION, a Delaware corporation ("Lessee").

WHEREAS, the Lessor and the Lessee are entering into the certain Master  
Equipment Lease Agreement dated September 12, 1996 (the "Lease") and places  
under lease that certain equipment set forth on Schedule I dated September 12, 1996,  
attached hereto, and all additions thereto, alterations thereof, replacements thereof  
and substitutions therefor;

IN WITNESS WHEREOF, the parties wish to show for the public record the  
aforesaid Lease, and accordingly have caused this Memorandum of Lease Agreement  
to be executed by their officers thereunto duly authorized, as of the date first above  
written. This memorandum may be executed in counterparts, each such counterpart  
shall be binding on both parties hereto, notwithstanding that both parties are not  
signatories to the same counterpart.

FIRST UNION COMMERCIAL CORPORATION

By Betty S Edwards

Name BETTY S. EDWARDS

Title VICE PRESIDENT

SOUTH CENTRAL TENNESSEE  
RAILROAD CORPORATION

By John H. Malind

Name JOHN H. MALIND

Title PRESIDENT

STATE OF Virginia  
COUNTY OF Alexandria

I, Susan Bradbury Notary Public in and for said state and county, do hereby certify that John Mauro personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease Agreement.

Witness my hand and official seal this 9<sup>th</sup> day of Oct., 19 96.

Susan M. Bradbury  
Notary Public

My commission expires: April 26, 2000

[NOTARY SEAL]

STATE OF Virginia  
City | COUNTY OF Roanoke

I, Betty S. Webster a Notary Public in and for said state and county, do hereby certify that Betty S. Edwards personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease Agreement.

Witness my hand and official seal this 16<sup>th</sup> day of Oct, 19 96.

Betty S. Webster  
Notary Public

My commission expires: 10-31-2000

[NOTARY SEAL]

## SCHEDULE I

### DESCRIPTION OF EQUIPMENT

1. NUMBER OF CARS: (1)
2. DESCRIPTION OF CARS: GP-38 LOCOMOTIVE
3. CAR NUMBERS AND MARKS: 3810